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Paul Urges Support for Payroll Tax Holiday

Washington, DC: Congressman Ron Paul, along with 10 of his congressional colleagues, worked this week to generate further support on Capitol Hill for a national payroll tax holiday. In a letter sent to House Speaker Dennis Hastert, Paul urged congressional leaders to push for legislation suspending federal payroll taxes for one month, both to stimulate the economy and return tax dollars to working Americans.

"The idea of a payroll tax holiday has strong appeal and will help working families regardless of their level of income; that makes this policy a very attractive proposal," Paul wrote. "No doubt some will oppose the idea and we will continue to hear from those who will find any excuse to oppose a tax reduction."

Payroll taxes are paid by both employers and employees, so a suspension of the tax helps small businesses and families. Since payroll taxes are paid even by low income workers, the payroll tax holiday directly benefits the working poor by putting more dollars in their paychecks. The holiday has the support of many small business groups, including the Small Business Legislative Council.

"The President has pointed to the fact that the best way to stimulate our economy is to relieve the tax burden faced by Americans and, thanks to your leadership, the House has passed a bill to do just that- while the Senate lags behind," Paul continued. "For decades the Social Security trust fund was raided for general fund expenditures. The idea that we can never allow the general fund to reimburse the Social Security fund for past spending raids now serves as yet another excuse for not cutting taxes."

The payroll tax holiday already has momentum in the Senate, in the form of legislation introduced by New Mexico Senator Pete Domenici. Joining Dr. Paul as signatories on the letter to Speaker Hastert were Representatives Mark Foley, John Cooksey, Richard Baker, Walter Jones, Dennis Rehberg, Mike Pence, Joe Skeen, John Doolittle, Roscoe Bartlett, and Heather

Wilson.